Market Crash Playbook: 3 Stocks to Buy Right Now!

Description

With markets tanking, and the economy likely entering a recession, stocks have gotten cheaper than they've been in recent memory. As of Wednesday morning, TSX stocks were down 29% from all-time highs after weeks of steep losses. Early this week, we saw a pronounced recovery after the U.S. and Canadian governments agreed to generous aid packages. Nevertheless, stocks remain down from highs they had set in February.

In this environment, nobody can tell what stocks will do long term. The markets are trying to price in information that's changing daily, much of it not financial in nature. Most likely, the volatility we've been seeing will continue for some time. If you're looking to make a quick buck in the markets, it's become a riskier game than ever before. If you take a long-term view, however, not much has changed. By investing in stocks whose fundamentals won't be affected by the current crisis, you can make it through unscathed. The following are three such stocks to buy right now.

Rogers Communications

Rogers Communications (TSX:RCI.B)(NYSE:RCI) is Canada's largest telecommunications company. Among Canadian cell service providers, it is the best-prepared for 5G, with much of its network already in place. Because Rogers chose **Ericsson** instead of **Huawei** for its 5G partner, it's managed to avoid some of the headaches other providers are dealing with. As a result, it's likely to be the first Canadian telco to roll out 5G.

What makes Rogers a solid buy for today's market?

Put simply, the ability to keep operating through shutdowns. In 2020, one of the biggest headwinds facing stocks is the underlying companies being forced to shut down. We're already seeing hugeeffects on industries like airlines, restaurants, and bars. The telecom industry is immune to this,because its business model doesn't depend on groups of people physically getting together. Thismakes telecoms attractive plays for as long as coronavirus remains a factor. Rogers gets the nod overother telcos, because it's way ahead of the competition on 5G.

Dollarama

Dollarama is Canada's largest dollar store chain. Like all dollar stores, it stands to benefit if the current bear market turns in to a full-on recession. In recessions, customers tend to penny pinch and seek cheaper staple items. This benefits companies like Dollarama that have cheap groceries. Dollarama has some of the cheapest prices anywhere in Canada on items like canned food and kitchenware. That will make it attractive to cash-strapped consumers in the event of a recession. The company's grocery selection also lets it remain open as an "essential service" in provinces that are shutting non-essential businesses down.

Canadian National Railway

Canadian National Railway (TSX:CNR)(NYSE:CNI) is Canada's largest railway company. It ships over $250 billion worth of goods a year, mainly grain, petrochemicals, coal, and timber. All of the items CN ships are basic economic necessities. Grain ultimately goes toward making food, while coal is mostly used by electrical utilities. None of these essential activities will be impacted by the business shutdowns we're seeing. So, we can expect demand for CN Railway's services to remain strong.

That's exactly what we're seeing. CN Railway posts weekly metrics on its website, and over the last two weeks we've seen revenue earned per mile increase. Carloads have decreased slightly, but not by enough to have a large revenue impact. Most likely, CN is having a better quarter right now than most publicly listed Canadian companies. That will certainly be the case in Q2 if the coronavirus continues to be a factor.

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2. NYSE:RCI (Rogers Communications Inc.)
3. TSX:CNR (Canadian National Railway Company)
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